

RICHMOND, VA E-NEWSLETTER

2nd Quarter FY 2012

INSIDE THIS ISSUE:

<i>2012 Virginia Small Business Award Winners Announced</i>	2
<i>SBA's International Trade Loan Will Help Businesses Bring Jobs Home</i>	3
<i>BusinessUSA Website will Help Small Businesses and Exporters Navigate the Federal Government</i>	4

You have subscribed to the Newsletter List of the Richmond, Virginia District Office of the U.S. Small Business Administration. Information provided to you via this newsletter may include general information regarding our Agency and its programs. It will focus primarily on events in the Richmond District Office territory, consisting of all of Virginia, except the counties of Arlington, Fairfax and Loudoun, and cities of Alexandria, Fairfax and Falls Church. If you would like specific information related to the SBA office in your area, please visit our [Local Offices page](#) and click on the office closest to where your business resides or will reside.

Helping small businesses
start, grow and succeed.



Your Small Business Resource

JAYNE ARMSTRONG IS NAMED TO DIRECT SBA RICHMOND DISTRICT OFFICE



The U.S. Small Business Administration announced the appointment of Jayne Armstrong to the position of district director in the Richmond District office. In this position, she will manage the delivery of SBA programs and services to small businesses throughout the state.

Since 1999 she has served as the district director of SBA's Delaware District Office. Jayne also served as district director of SBA's West Virginia District Office and regional advocate of the SBA's Office of Advocacy, where she coordinated public policy at the federal and state levels and organized the 1995 White House Conference on Small Business. In 1996, she represented the SBA in Russia during the first formal exchange between U.S. and Russian entrepreneurs.

During her tenure as the district director of the SBA's Delaware District Office, the SBA team dramatically increased its visibility statewide through extensive marketing and outreach; expanded participation in its government contracting programs; increased counseling and training offered by the Small Business Technology Development Center and SCORE programs; and established the Delaware Center for Women's Entrepreneurship in partnership with the YWCA of Delaware.

A native of Pittsburgh, Armstrong attended West Virginia University where she served as student body president while earning her bachelor's and master's degrees and remains active in alumni and student recruiting organizations. Prior to her SBA career, Armstrong worked in advertising, high-tech economic development, and higher education development.

She was recognized by former U.S. Senator Ted Kaufman (DE) on the Senate floor as a "Great Federal Employee" for her commitment to small business. She is the recipient of the Delaware Today's Women in Business Award, the New Castle County Chamber's Entrepreneurial Advocate of the Year Award and the YWCA's Woman of Power, Style and Brilliance Award. She also was recognized by the Delaware Chapter of the National Association of Women Business Owners (NAWBO) with its Bridge Builder Award (twice), Girls Inc. of Delaware as its Volunteer of the Year and *The State Journal* as one of "The 55 Best Things about West Virginia."

Armstrong has been active in a wide variety of non-profits and business organizations throughout her career. She served on the board of the Caesar Rodney Rotary Club, and as a mentor with Delaware Futures, a college bound program for at risk high school students. She also served on the advisory board of Delaware State University's School of Business and the Delaware Financial Literacy Institute.



2012 VIRGINIA SMALL BUSINESS AWARD WINNERS ANNOUNCED

Virginia Small Business Awards Luncheon to be held May 18th

Each year the President of the United States designates one week as National Small Business Week in recognition of the small business community's contribution to the American economy. The 2012 observance of National Small Business Week is May 20-22 in Washington, D.C. where more than 100 outstanding small business owners from around the country will be honored and the National Small Business Person of the Year will be announced.

Virginia's Small Business Week event, to be held at The Jefferson Hotel in Richmond on Friday, May 18th, will honor Virginia's Small Business Persons of the Year along with five other award winners. Nominations for all of the awards were accepted last fall, and winners were selected by an independent panel of judges.

Those to be honored at the annual Small Business Awards Luncheon include:

2012 VIRGINIA SMALL BUSINESS PERSONS OF THE YEAR

Jonathan L. Hagmaier, C.E.O.; Mary V. Hagmaier, Director of Corporate Relations;
Matthew Muller, Solutions Architect, Jacob E. Gibson, VP of Business Development
Interactive Achievement, Inc.
Roanoke, VA

2012 VIRGINIA FINANCIAL SERVICES CHAMPION OF THE YEAR

Tanner A. Collins, Jr.
Senior Vice President & Regional Executive Officer
REDC Community Capital Group, Inc.
Richmond, VA

2012 VIRGINIA EXPORTER OF THE YEAR

Robert Patrick Poellnitz
SteelMaster Buildings, LLC
Virginia Beach, VA

2012 VIRGINIA VETERAN SMALL BUSINESS CHAMPION OF THE YEAR

Perry C. Casto, Jr., Colonel, U.S. Army (retired)
Amissville, VA

2012 VIRGINIA JEFFREY BUTLAND FAMILY-OWNED BUSINESS OF THE YEAR

Dennis D. Clem, President
Clem's Garage, Inc.
Stephens City, VA

2012 VIRGINIA YOUNG ENTREPRENEUR OF THE YEAR

Jennifer Leah Jackson, Owner
River City Cleaning
Richmond, VA

"The individuals we are honoring on May 18th represent the finest traits of American entrepreneurial spirit and we are proud to recognize their accomplishments," said Jayne E. Armstrong, District Director of SBA's Richmond Virginia District Office, congratulating all of the award winners.

For additional information on National Small Business Week festivities, and for a list of winners, visit <http://www.nationalsmallbusinessweek.com>. For more information about all of the SBA's programs for small businesses, visit the SBA's extensive web site at www.sba.gov.

SBA's International Trade Loan Will Help Businesses Bring Jobs Home

Businesses Are Bringing Production Home

The "Made in America" brand remains strong, with a growing number of businesses bringing production and jobs back to the U.S. from overseas.

Recent studies indicate on-shoring is likely to increase over the next several years due to rising transportation costs and as companies take advantage of America's high workforce productivity and strong quality control.

Do You Plan to Bring Production Home? We Can Help! The U.S. Small Business Administration's International Trade Loan (ITL) program provides small businesses with capital to finance their fixed assets, including real estate, and working capital needs. This program offers private lenders a 90% guarantee on loans as an incentive to encourage lending to growing small businesses.

Small businesses may use the ITL program to on-shore in one of two ways:

1) *Do You Plan to On-shore to Strengthen Exports?*

Small businesses which currently manufacture products abroad, but want to relocate production to the U.S. for the purposes of exporting may utilize the ITL program. These businesses may want to relocate to the U.S. to take advantage of increased labor productivity, proximity to raw materials, quality control, re-linking their supply chain or other factors. Small businesses would qualify even if they intend to sell one product abroad.

2) *Do You Plan to On-shore to Counter Import Competition?*

Small businesses which currently manufacture abroad, but sell to the U.S. market, can take advantage of the loan program. These businesses must demonstrate an adverse impact to their business due to import competition, substantiated either by a narrative explanation and the company's financial statements or by a finding of economic injury issued by the International Trade Commission or the U.S. Department of Commerce.

HOW TO APPLY FOR THE ITL PROGRAM

A small business exporter seeking an ITL must apply to an SBA-participating lender. The lender will sub-

mit a completed *Application for Business Loan* (SBA Form 4), including all exhibits, to the SBA. Small businesses may contact their local U.S. Export Assistance Center for further information, including a list of eligible SBA lenders in their area, by visiting the SBA website (www.sba.gov/international).

U.S. Export Assistance Centers (USEAC)

Through USEACs nationwide, SBA staff provides one-stop service to U.S. small business exporters (both potential and those already in the export business). They work in full partnership with the Export-Import Bank of the United States and the U.S. Commercial Service. The USEAC serving Virginia is:

Northern Virginia USEAC
William R. Houck
International Trade Finance Specialist
1100 N. Glebe Road, suite 1500
Arlington, VA 22201
william.houck@sba.gov
Tel: (202) 557-4063

KEY LOAN TERMS

Loan Amount: up to \$5 million dollars.

Guaranty: SBA can guaranty up to 90% of an ITL up to a maximum of \$4.5 million, less the guaranteed portion of other SBA loans outstanding to the borrower. The maximum guaranty for a working capital component is \$4 million.

Interest Rate: Lenders may charge a maximum interest rate between 2.25% and 2.75% points above the prime rate (as published by the Wall Street Journal), depending upon the maturity of the loan.

Loan Term: Up to 10 years on loans for equipment unless the useful life exceeds 10 years. Up to 25 years for real estate. Blended-average maturity for loans with a mixed use of fixed asset and working capital financing. Maturities are typically limited to 10 years on the working capital portion of the ITL.

Use of Proceeds

Proceeds of the loan's portion for facilities and equipment may be used to repatriate production facilities as well as to construct new capacity within the territorial U.S. ITL financing is authorized to acquire, construct, renovate, modernize, improve or expand both facilities and equipment in the U.S.

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INTERNATIONAL TRADE LOANS (contd.)

The small business must produce goods or services involved in international trade and must not sell only to the U.S. market, unless its eligibility is based on being adversely impacted by imports.

Proceeds may refinance debt that is not structured under reasonable terms and conditions, including any debt that qualifies for refinancing under the standard SBA 7(a) Loan Program.

Eligibility

Applicants must meet eligibility requirements for SBA's standard 7(a) Loan Program.

Applicants must establish that the loan will enable the business to expand or develop an export market, or establish that the business had been adversely impacted by imports, and that the ITL will allow the business to regain its competitive position.

Alternatively, the business could submit a finding of economic injury, which must be substantiated by the International Trade Commission or the U.S. Department of Commerce.

Collateral Requirements

Only collateral located in the U.S., including its territories and possessions, is acceptable.

First lien on property or equipment financed by the ITL or on other assets of the business is required. However, an ITL can be secured by a second lien position if the

SBA determines there is adequate assurance of loan payment.

Additional collateral, including personal guaranties and those assets not financed with ITL proceeds, may be required as appropriate.

BusinessUSA

New Website to Help Small Businesses and Exporters Navigate the Federal Government

On February 17, a new online platform, [BusinessUSA](#), was launched to help small businesses and exporters of all sizes find information about federal programs without having to waste time and resources navigating the federal bureaucracy.

[BusinessUSA](#), currently in "beta", combines information and services from 10 different government agencies through one consolidated website and a single toll-free telephone number.

It's a "No Wrong Door" approach for small businesses and exporters, creating a common platform to match businesses with the services relevant to them, regardless of where the information is located. The [BusinessUSA](#) initiative will modernize the federal government's customer service channels and help streamline the process for today's innovators and entrepreneurs to get their hands on information to help make better decisions.

HAVE A QUESTION?

EMAIL YOUR QUESTIONS:

Our local email address is richmond.va@sba.gov. If you are a small business owner or prospective owner located in our territory of Virginia (see page 1), please contact us if you have questions about starting a business, obtaining business financing, or any of our services.



UPCOMING EVENTS

CALENDAR OF EVENTS:

Be sure to visit our [Calendar of Events](#) for workshops of interest to small business owners in Virginia. To get to the Calendar, go to our [website](#) and click on the "View Full Calendar" under the Events Calendar image.

SHARE THIS NEWSLETTER WITH A FRIEND – Do you know a fellow small business owner who would benefit from the Richmond, VA SBA Newsletter? If so, forward it to them or direct them to the registration page at <http://web.sba.gov/list/> (scroll down and click on the box next to Richmond, VA Newsletter).

NEW SUBSCRIBERS – For those who have just joined the Newsletter list, be sure to read earlier newsletters in our [Archives](#).